2007-05293/

Government of Canada Securities

A Publication of the Department of Finance

July 2006

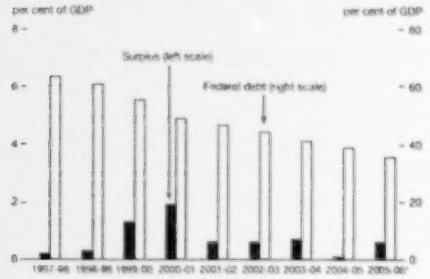
Canadian Economy

Selected Canadian economic statistics

	2005				2006
	Q1	Q2	Q3	Q4	Q1
Annualized growth rates			(per cent)		
Real gross domestic product	2.1	3.4	3.5	2.6	3.8
Final domestic demand	5.7	3.9	4.1	4.7	5.0
Employment growth	0.6	1.7	1.5	2.4	1.6
Other					
Unemployment rate	7.0	6.8	6.8	6.5	6.4
Current account balance (percentage of GDP)	1.0	1.4	2.7	3.8	3.0

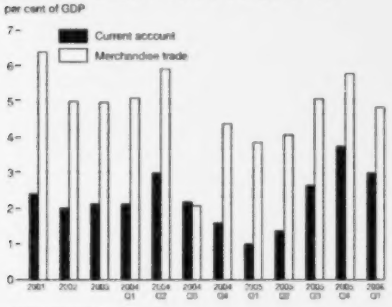
Source: Statistics Canada.

Government of Canada debt (accumulated deficit) and budgetary balance



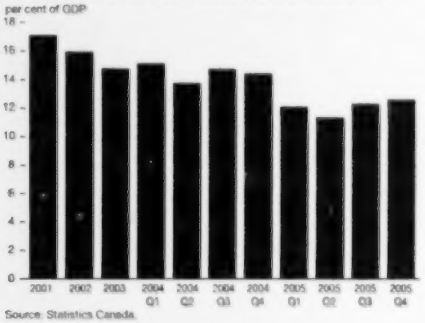
*Estimate according to *The Budget Plan 2006*.
Source: Department of Finance.

Canada's current account balance and merchandise trade balance



Source: Statistics Canada.

Canada's net international liabilities



Source: Statistics Canada.

Upcoming economic data releases of interest

July	August	September
June CPI (July 21)	July Labour Force Survey (August 4)	August Labour Force Survey (September 8)
May GDP (July 31)	July CPI (August 22)	August CPI (September 19)
	June GDP (August 31)	July GDP (September 29)
	National and Economic Accounts April-June 2006 (August 31)	

Canada

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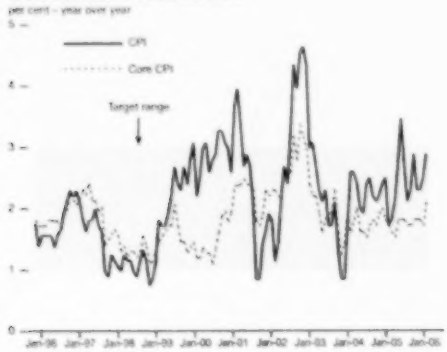
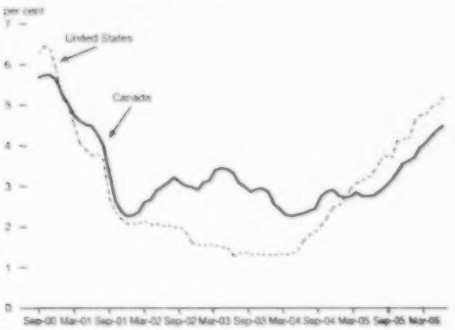
Canadian Economy

Consumer Price Index



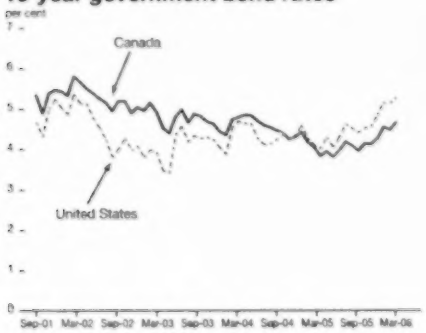
Source: Statistics Canada.

3-month treasury bill rates



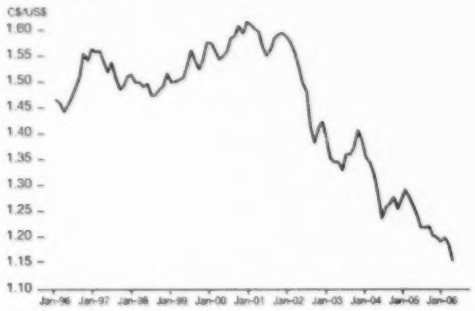
Sources: Bank of Canada and Federal Reserve.

10-year government bond rates



Sources: Bank of Canada and Federal Reserve.

Exchange rate

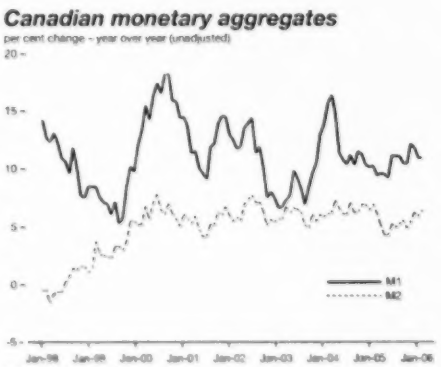


Source: Bank of Canada.

Overnight money market rate

Source: Bank of Canada.

Canadian monetary aggregates

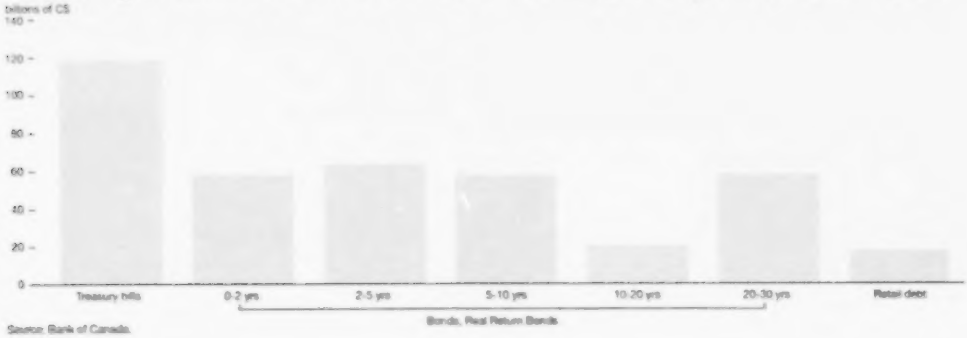


Source: Bank of Canada.

Government of Canada Securities

Primary Market

Outstanding Government of Canada treasury bills, bonds (by term maturity) and retail debt



Source: Bank of Canada.

Recent Government of Canada bond auction results

Auction date	Term	Maturity date	Coupon rate	Issue amount	Average price	Average yield	Auction coverage**	Tail***
	(years)		(%)	(millions of dollars)		(%)		(basis points)
June 14, 2006	2	December 1, 2008	4.25	3,400	99.985	4.257	2.579	0.2
May 31, 2006	30	December 1, 2036	3*	450	127.138	1.834	2.325	n.a.
May 17, 2006	5	September 1, 2011	3.75	2,100	97.318	4.323	2.535	0.3
April 19, 2006	10	June 1, 2016	4	2,300	96.130	4.480	2.544	0.4

* Real Return Bond.

** Coverage is defined as the ratio of total bids at auction to the amount auctioned.

*** Tail is defined as the high accepted yield minus the average yield.

Source: Bank of Canada.

Government of Canada bond auctions

Type of issue	Auction date (2006)	Further details of issue (2006)	Dated and delivered (2006)	Amount maturing*
				(millions of dollars)
30-year	July 19	July 13	July 24	0
10-year	August 2	July 27	August 8	0
5-year	August 16	August 10	August 21	0
2-year	August 30	August 24	September 1	5,194,149,000
Real Return Bond	September 27	September 21	October 2	0

Note: In addition, this quarter seven operations are planned under the Government of Canada bond repurchase program. Four repurchase operations will be held in conjunction with each nominal bond auction, and three switch repurchase operations will take place: one on July 6 in the 20-year sector, one on July 26 in the 5-year sector and one on September 14 in the 10-year sector. Further details will be released on the Thursday prior to these operations. The target amount for the repurchase this quarter is $2.2 billion.

*Maturity of $768 billion on October 1, 2006.

Source: Bank of Canada.

Government of Canada Securities

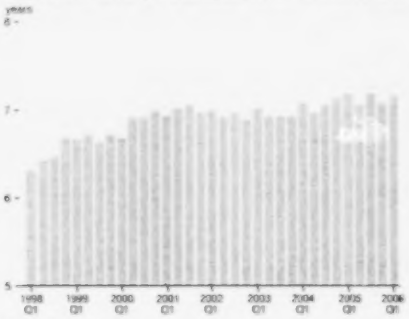
Primary Market

Government of Canada bond market benchmarks

Term	Maturity	Coupon	Amount outstanding	Yield (June 29, 2006)
		(%)	(millions of dollars)	(%)
Fixed-coupon				
2-year	June 1, 2008	3.75	3,000	4.38
5-year	September 1, 2010	4.00	9,459	4.47
10-year	June 1, 2015	4.50	10,300	4.60
30-year	June 1, 2033	5.75	13,410	4.64
Real return				
30-year	December 1, 2026	4.25	5,250	1.91

Source: Department of Finance.

Average term to maturity of Government of Canada marketable debt



Source: Bank of Canada.

Upcoming Government of Canada marketable bond maturities

July-September 2006	October-December 2006	January-March 2007	April-June 2007
	(millions of dollars)		
5,194	11,138	192	12,630

Outstanding Government of Canada foreign currency debt

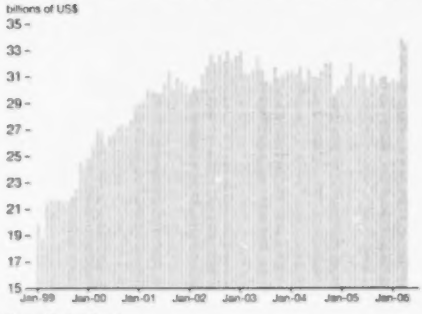
	(C$ millions)*
Canada bills	1,685
Canada notes	984
Outstanding under EMTN program	1,406
6¼% US$ bonds maturing August 28, 2006	1,111
6¼% NZ$ bonds maturing October 3, 2007	342
4⅛% EUR bonds maturing July 7, 2008**	1,797
5¼% US$ bonds maturing November 5, 2008	2,779

*At par value, adjusted for exchange rates as of June 29, 2006.

**Original issue in Deutsche Marks was redenominated into euros on February 19, 1999.

Source: Bank of Canada.

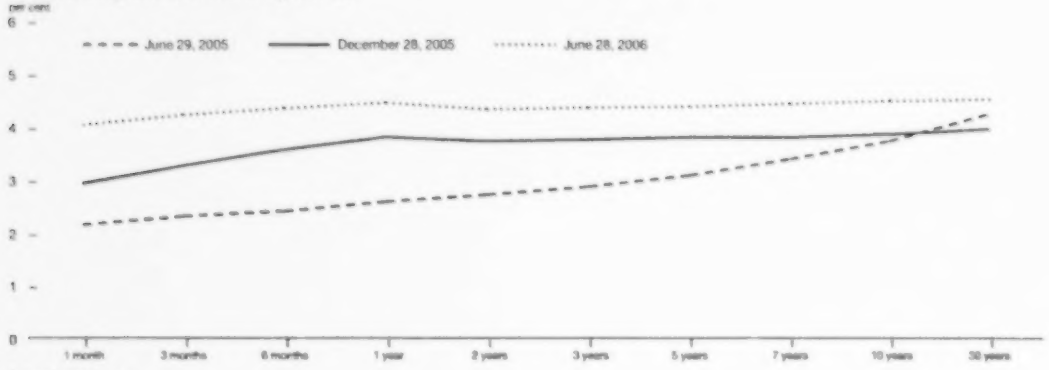
Canada's level of liquid foreign reserves



Source: Bank of Canada

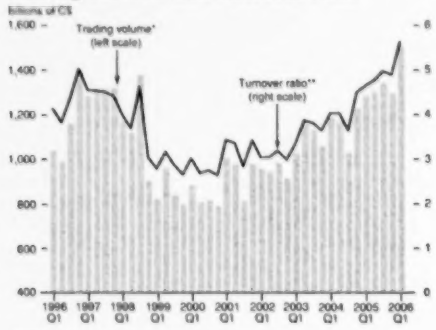
Secondary Market

Canadian yield-to-maturity curve



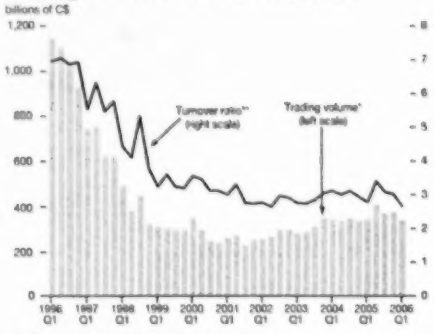
Source: Bank of Canada.

Government of Canada bonds trading volume and turnover ratio



*Trading volume is total trading volume in each quarter.
**Turnover ratio = total trading volume in each quarter/stock.
Source: Bank of Canada.

Government of Canada treasury bills trading volume and turnover ratio



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Source: Bank of Canada.

Government securities distributors

- Bank of Montreal (treasury bills only)
- Beacon Securities Limited
- BMO Nesbitt Burns Inc. (marketable bonds only)
- Canaccord Capital Corp.
- Canadian Imperial Bank of Commerce (treasury bills only)
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- CTI Capital Inc.
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- Deutsche Bank Securities Limited
- Golden Capital Securities Limited
- HSBC Bank Canada (treasury bills only)
- HSBC Securities (Canada) Inc. (marketable bonds only)
- Laurentian Bank Securities Inc.
- Merrill Lynch Canada Inc.
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- Scotia Capital Inc.
- The Toronto-Dominion Bank

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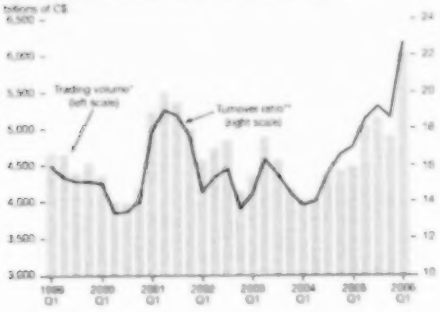
Secondary Market

Government of Canada bond repos trading volume and turnover ratio



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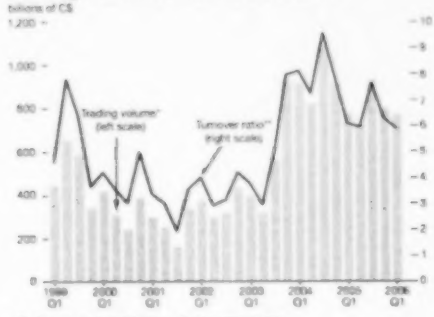
Government of Canada treasury bill repos trading volume and turnover ratio



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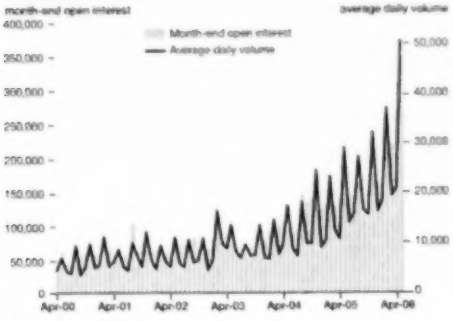
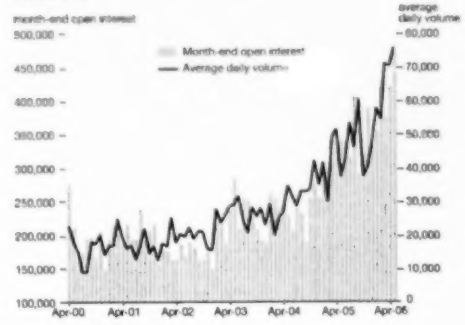
10-year Government of Canada bond futures



Source: The Montreal Exchange.

3-month bankers acceptance futures



Source: The Montreal Exchange.

Government of Canada long-term credit ratings

	Standard & Poor's Current	Moody's Investors Service Current	Dominion Bond Rating Service Current
Domestic debt – Trend	**AAA** Stable	**Aaa** Stable	**AAA** Stable
Foreign debt – Trend	**AAA** Stable	**Aaa** Stable	**AAA** Stable

This publication is also available on the Internet at www.fin.gc.ca.
Except as noted, the information in *Government of Canada Securities* is based upon data available as of June 30, 2006.
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